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RUEHRG/AMCONSUL RECIFE 8059  
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C O N F I D E N T I A L SECTION 01 OF 02 BRASILIA 000674

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TAGS: [PGOV](#) [BR](#)

SUBJECT: BRAZIL: TOP ADVISER DILMA ROUSSEFF BOOSTS OWN 2010  
PRESIDENTIAL CHANCES

REF: A. BRASILIA 196

[B. BRASILIA 286](#)

[C. BRASILIA 207](#)

[D. BRASILIA 588](#)

Classified By: CLASSIFIED BY POLITICAL COUNSELOR STEPHEN LISTON, REASON  
1.4 (D)

[1](#)1. (C) Summary. Dilma Rousseff, President Lula's top domestic policy adviser and apparent favorite to succeed him in 2010, greatly increased her chances of being her party's 2010 presidential candidate by an impressive performance before hostile questioning in the Senate Infrastructure Services Committee on May 7. Rousseff was called to testify on the Growth Acceleration Program (PAC)(ref A), a keystone of Lula's second term, as well as her alleged involvement in a scandal over misuse of government credit cards (refs B, C). Rousseff performed superbly under pressure, with a thorough command of facts and an unflappable demeanor. The presidential palace celebrated and media observers declared her stronger than before. Opposition politicians acknowledged mistakes and vowed to have at her again in another committee. End summary.

[1](#)2. (C) Dilma Rousseff, Chief of the Civil Household, appeared before the Senate Infrastructure Services Committee on May 7 to testify on the progress of the Growth Acceleration Program, a keystone of Lula's second term. Her appearance resulted from a surprise move by opposition senators who caught their government coalition colleagues off guard when they did not have enough votes to defeat the motion. The real purpose of bringing her to the committee was to question her on the recent leak to media of data about the use of government credit cards in the Fernando Henrique Cardoso (FHC) administration (1995-2002). The data are privileged, and opposition leaders accused the government of compiling a "dossier" and deliberately leaking it to the media to even the score and divert attention from the damage done over misuse of the cards in the Lula administration, which brought down a cabinet minister (ref C).

[1](#)3. (C) Rousseff's performance before the committee could have damaged or sunk her presidential prospects if it had gone poorly. But Jose Agripino Maia (Democrats, opposition; of Rio Grande do Norte), the leader of his party in the Senate, blundered badly when very early in the hearing he noted that she had once said she had lied to military interrogators during the dictatorship, an obvious provocation suggesting she might lie to the committee. Rousseff replied that she was brutally tortured by the military and was proud to have lied under torture because it saved the lives of

others fighting the dictatorship. With this dramatic and unassailable comeback, Rousseff was in complete control of most of the rest of the nearly eight-hour hearing, and even some usually combative opposition senators treated her with muted deference.

¶4. (C) Making extensive use of slides on a laptop computer in front of her, Rousseff demonstrated an extensive and detailed knowledge of the Growth Acceleration Program, a 504 billion reais (about USD 300 billion) growth and investment stimulus package that is being implemented under her direction. When the subject turned to what the opposition calls a "dossier" of data on credit cards used in the FHC administration, which the government calls a "data bank," Rousseff agilely deflected repeated parries by opposition senators, again showing a thorough understanding of the data and how it is kept, controlled, and accessed. She claimed to have been the greatest victim of the data leak, and insisted that the leaker should be found and held accountable. On May 8 it was revealed that the Federal Police and government technicians had discovered that the Secretary of Internal Controls for the Civil Household sent the data to a opposition Senate staffer, who may have leaked the data to the media. The case is still under investigation.

¶5. (C) After-action evaluations by media and political analysts concluded that Dilma Rousseff survived her trial by fire brilliantly, and Senator Agripino Maia's opening gaffe embarrassed the opposition and left it in temporary disarray. President Lula and government coalition politicians publicly heaped praised on Rousseff. The president of the Senate,

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Garibaldi Alves Filho (Brazilian Democratic Movement Party, government coalition; of Rio Grande do Norte) said Rousseff's testimony had "exhausted" the subject, convinced him there was no so-called dossier, and the temporary Committee of Congressional Inquiry into the credit card matter should reach the same conclusion.

¶6. (C) Comment: Wishful thinkers in the opposition had written off Dilma Rousseff as a political corpse after police discovered that the data leak came from the Civil Household. But after her performance at the Senate and the apparent discovery of the leaker, it appears improbable that the opposition will be able to unseat her as Lula's designated successor any time soon. Lula remains solidly behind her, and although she still needs to attract broad national support to win the presidency, it is now more likely than ever that she will be the Workers' Party 2010 presidential candidate.  
CHICOLA